

# Certification and Verification Changes from Reauthorization

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**ANC** 

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#### **PUBLIC LAW 108-265**

 On June 30, 2004, the President signed The Child Nutrition and WIC Reauthorization Act of 2004.



## Certification Changes

- Direct Certification for Food Stamps –
   Phase-in begins July 1, 2006.
- Household Applications July 1, 2005.
- Year-round eligibility July 1, 2004.
- Categorical Eligibility for runaway, homeless, migrants – July 1, 2004.
- Exclusion of privatized military housing-July 1, 2004.

### **Direct Certification**





# Mandatory Direct Certification for Food Stamp Households

Requires Local Educational Agencies (LEA) to "directly certify" as eligible for free meals any child who is a member of a food stamp household without further application.

# Phase-in of Direct Certification for Food Stamp Households

Implementation is phased in:

-SY 06-07 - 25,000 + enrolled

-SY 07-08-10,000 + enrolled

-Beginning SY 08 - nationwide

# Mandatory Direct Certification for Food Stamp Households

 NSLP State agencies to enter into an agreement with the State food stamp agency to establish procedures for direct certification.

 Food Stamp Act was also amended to require cooperation.

### **Agreements**

 All States had to have a signed direct certification agreement by July 1, 2005.

 As of July 15, 2005, 28 States reported having a completed agreement.

# What FNS has done on Direct Certification

- Implementation memos:
  - FSP memo, October 8, 2004
  - CND memo, November 15, 2004
  - Agreement Checklist, April 19, 2005
- Meeting in Jan. 2005 with our Federal, State and local program administrators and with Federal and State food stamp administrators.

## **Direct Verification**



#### **Direct Verification**

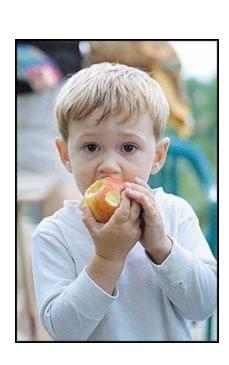
 Permits use of "direct verification" of free and reduced price applications.

 Direct verification is using income and program participation information from public agencies administering certain means-tested programs.

 Became an option to local educational agencies: July 1, 2005.

# Programs for Direct Verification

- The programs are:
  - 1) Food stamps
  - 2) Food Distribution Program on Indian Reservations (FDPIR)
  - 3) State TANF
  - 4) State Medicaid
  - 5) or similar income-tested programs as determined by USDA.



### Direct Verification (cont.)

 In order to facilitate "direct verification" through the Medicaid program, this section amends Medicaid law.

 Amendment allows States to exchange information necessary to verify eligibility for free or reduced-price school meals.

Effective July 1, 2005

### Direct Verification Agreements

To facilitate use of direct verification, CN State agencies need agreement with other agencies used for direct verification

#### **Evaluation**

 USDA must evaluate the effectiveness of direct verification.

 Evaluation must be done within 3 years of enactment (by June 30, 2007).



### Confidentiality/Disclosure

- Act restates current confidentiality/disclosure requirements
- Information exchanged through direct certification/verification subject to safeguards

#### **Verification Timeframes**

#### Each school year, LEAs must:

- Select the verification sample by October 1
- Complete the verification process by November 15, including direct verification
- Follow-up on all non-responses, including conflicts

#### Verification

 New verification requirements specified by law

 Provides alternatives depending on improvements made to nonresponse rate

### **Basic Sample Size**

#### The lesser of:

-3% of all approved applications selected from "error-prone" applications;

<u>or</u>

-3,000 approved error-prone applications.

# Verification Basic Sample Size (cont.)



• "Error-prone" sample size is the same as "focused" in the former regulations.

 Error-prone income is within \$100/month (\$1,200/year) of the eligibility limit for F/RP benefits.

### **Alternate Sample Size Options**

In effect, same as current random sampling

 The lesser of 3000 / 3% of applications selected at random from approved applications

OR

- The lesser of 1000 / 1% of error prone applications selected from approved applications PLUS
- The lesser of 500 or ½ of 1% of all approved applications that provided a FSP, FDPIR, or TANF case number

# Eligibility for Alternate Sample Sizes

 Any LEA with preceding school year nonresponse rate less than 20%

 Large LEAs with 10% improvement in nonresponse rate

 For SY 2005-2006 only, large LEAs that attempt direct verification from 2 sources – FSP, FDPIR, State TANF, State Medicaid.

#### Verification

 If there are not enough "errorprone" applications for basic sample size or alternate sample sizes, LEAs must randomly select additional applications to fulfill the percentage or number requirement.

# **Example of Non-response Rate**Improvement

• In school year 2003-2004, a LEA has a total of 30,000 approved applications

SY 2003-04				
Approved Applications	Sample size	Non-response rate		
30,000 applications	900 applications (3 % of 30,000)	360 non- respondents (40% of 900)		

# Example of Non-response Rate Improvement (cont.) Calculating level of improvement needed for alternate sample size.

For SY 2004-05					
Improvement must be 10%					
SY 2003-04 non- response rate	10% Improvement rate needed	Non- response rate needed			
40%	4% (40% x .10%)	36% or lower (40%-4%)			

# **Example of Non-response Rate**Improvement (cont.)

SY 2004-05					
Approved Applications	Sample Size	Non- response rate	Improvement Determination		
32,000	960 (3% of 32,000)	340 (or 35.4%)	36% or below met? Yes- 35.4%		

#### SY 2005-06

 The non-response rate improved by 10% between SY 2003-04 and SY 2004-05

 Therefore, this LEA is eligible to use one of the alternate sample sizes in SY 2005-06

### Sample Selection

 On individual case review, LEAs may substitute up to 5% of their verification sample with other approved applications.

# Confirmation reviews of approved applications

#### Prior to verification of a selected application:

- LEAs must have the initial determination on selected applications reviewed for accuracy by someone other than the original approving official.
- Exception: requirement waived if the LEA uses a "technology-based solution" that makes accurate eligibility determinations.

### Confirmation reviews (cont.)

If the initial determination is incorrect, the LEA must:

- (1) Correct the household's eligibility status;
- (2) Notify the household of the change and explain changes; and
- (3) Allow household to reapply and provide documentation

### Confirmation reviews (cont.)

 If a confirmation review indicates that a household is eligible, the LEA must proceed to verify the application.



#### Written Notice to Households

- LEA must notify household it was selected for verification
- Notice requires household to submit information to confirm eligibility
- No charge contact number
- Effective July 1, 2005

### **Verification Follow-up Activities**

 If household does not respond to verification requests, LEA must make at least 1 additional attempt to obtain verification

 LEAs may contract with a third party to assist with "follow-up"

# Thanks for your attention

Any questions?